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State Superintendent of Public Instruction

**CALIFORNIA
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OF
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October 20, 2003

To: County Superintendents of Schools, County Auditors and
County Treasurers

From: Scott Hannan, Director
School Fiscal Services Division

Subject: Notice for the Recovery of Overpayments in the K-3, Class Size Reduction
Program, Fiscal Year, 2002-03

This recovery of overpayment in the amount of \$22,736,070, is made pursuant to *Education Code* Section 52126(h). These overpayments have occurred for LEAs whose actual participation in this program as certified on Form J-7CSR, Report of Enrollment, was lower than the anticipated participation identified during the application process. In accordance with *Education Code* Section 52126(h), which states that a "district shall not retain any funds it receives for any class that does not actually meet all of the requirements of the Class Size Reduction Program," the California Department of Education is authorized to recover the amount overpaid.

The attached schedule indicates the amount overpaid to each LEA in your county. The amount of the overpayment will be deducted by the State Controller from the October 2003 Principal Apportionment. If the October warrant is insufficient to fully recover the overpayment, the balance will be deducted from the November warrant. County superintendents of schools are requested to inform immediately each affected LEA of the adjustment and provide the LEA with a copy of this letter and schedule.

If you have any questions regarding this recovery of overpayment, please contact Janice Huarte, Program Analyst, Categorical Programs Unit, at (916) 322-9128 or via email jhuarte@cde.ca.gov or Ross Valentine, Fiscal Services Assistant, Categorical Programs Unit, at (916) 327-4405 or via email at rvalenti@cde.ca.gov. Program related questions may be directed to Lynn Piccoli, Staff Services Manager I, School Facilities Planning Division, at (916) 323-3926 or by email lpiccoli@cde.ca.gov.

SH:jw
Attachment

